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## BOOK REVIEWS.

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*Grundriss der Allgemeinen Volkswirtschaftslehre.* Erster, grösserer Teil. Von GUSTAV SCHMOLLER. Leipzig: Dunker & Humblot, 1900. 8vo, pp. x + 482.

THE appearance of Professor Schmoller's *Grundriss* must be considered as an event of first rank in the history of the economic literature of the last year. Any book by the man who for a generation has been the leader of the historical school of economists and who, by his writings and lectures, has inspired and directed economic students from every important nation would command a wide circulation and careful consideration by economists. A general treatise by this man, however, exits an interest far beyond that of any other book which he could have written. Repeatedly has Professor Schmoller warned his students and contemporary co-workers against just such books as this. Early in his career he declared that at least a generation of intensive work in the field of economic history would be needed before a successful treatise on the subject of general economics could be written. The appearance of this book seems to indicate that in Professor Schmoller's opinion a sufficient amount of intensive, monographic work has been done to warrant a general treatise, and certainly no one was better fitted to undertake such a work, in accordance with the spirit, aims and views of the historical school, than the master himself.

Professor Schmoller's friends and followers in every part of the world have reason for gratification over the results of this undertaking so far as they have appeared in print. Every chapter of the volume before us reflects the great learning, the broad, historical spirit, the trained judgment, the moderation and fair-mindedness of its distinguished author as well as the thirteen years of hard work which the preface tells us he has put upon it. The book is happily free from the sorts of abstractions, generalizations and casuistry which brought the treatises of the so-called classical economists into disrepute. It is comprehensive in scope and descriptive rather than rationalistic in character. The facts and movements described are general, character-

istic and fundamental, and the method of their presentation is historical rather than logical. The style is compact, clear and polished, and indicates that the author has given much attention to forms of presentation and statement and careful revision to his manuscripts and proof sheets.

Professor Schmoller's conception of the scope of the science of economics and of its main subdivisions is substantially the same as that of most of his German contemporaries. Like them he abandons completely the traditional English arrangement of the subject-matter of the science under the heads of production, exchange, distribution and consumption, and recognizes only two main subdivisions, namely general and special political economy. Under his present plan the author contemplates the treatment of the first subdivision only, and the volume under review is the first part, containing the introduction and books I and II. The third and fourth books, which are to complete the treatise, are promised for the near future.

The introduction includes the treatment of three main topics, namely: the conception of political economy; the psychical, moral and legal foundation of a nation's economy and of society in general; and the historical development and methods of the science. The treatment of the second of these topics is much more comprehensive and full than that found in the treatises of Wagner, Cohn, or indeed in that of any other German economist. It includes much that is ordinarily to be found only in treatises on general sociology, ethics and psychology. The history of economic science contained in the third subdivision of the introduction is especially illuminating and satisfactory. It emphasizes the continuity in the development of the science, and the characteristic features of each period, and presents in an admirable manner its present condition and prospects. Every school and all the leading lights are given their proper place in this development, and the nature of the contribution of each is clearly presented and its value frankly and generously recognized.

Book I, entitled "Land, People and Technique as Mass-Phenomena and Elements of National Economy," also contains much that is not usually found even in German treatises on Economics. In its four subdivisions are treated respectively: national economy in its dependence upon external nature; the races and nations; the population, its natural classification and movement; and the development of technique in its economic significance. Ethnology, anthropology,

geography, meteorology, history and general sociology contribute largely to the contents of this book. The reader marvels at the extent of the author's knowledge of the literature and subject-matter of these sciences, and is filled with admiration at the manner in which he has marshaled the enormous volume of diverse facts and grasped and portrayed their economic significance. Rarely do his statements impress one as dogmatic or pedantic. They inspire confidence by their moderation, perspicuity and appropriateness to the facts upon which they are based. This book lays a broad foundation for the main body of the structure which is to be built up in the two following subdivisions.

Book II is entitled "The Social Constitution of the National Economy, its most Important Organs and its Chief Causes." In its seven subdivisions are treated respectively: the family economy; city and territorial economy; state economy; the social and economic division of labor; the nature of property and the fundamental characteristics of its various forms; the formation of social classes; and the development of forms of business undertaking and enterprise. While not a treatise on economic history, this book presents in a broad and comprehensive way the evolution of industrial society, and explains and characterizes each stage in the process. The method of treatment is concrete, speculation and theorizing being conspicuously absent.

An adequate review of this work must be deferred until the appearance of the third and fourth books, which are to treat respectively of the most important processes and movements of modern economic life—as, for example, of commerce, money, value and price formation credit, distribution, etc.—and of the total results of the process of economic development through which the race has passed. Only then can the full value of the author's method of treatment be appreciated. Then, too, will be the best time to consider in detail the author's views on special topics and the extent and value of his contribution to economic science. Meanwhile students of economics will do well to read carefully and often and to digest well the contents of the present volume.

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